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**RICHARD WALTERS SENTENCED IN  
D.C. PROPERTY TAX REFUND FRAUD SCHEME**

*Brother of Ringleader Deposited \$4,900,199 in Fraudulently Obtained D.C. Government Checks  
and Received At Least \$1,284,574 in Monies and Home Improvements*

**Greenbelt**, Maryland - U.S. District Judge Alexander Williams, Jr. sentenced Richard Walters, age 49, of Bowie, Maryland, today to 51 months in prison followed by three years of supervised release for receipt of stolen property and conspiracy to commit money laundering in connection with a property tax refund scheme in which over \$48 million were stolen from the District of Columbia Office of Tax and Revenue, announced United States Attorney for the District of Maryland Rod J. Rosenstein and U.S. Attorney for the District of Columbia Jeffrey A. Taylor. Judge Williams also ordered that Richard Walters forfeit \$4,900,199 and, in order to satisfy such money judgment, to forfeit a home in the Virgin Islands, two homes in Bowie, Maryland, a 2005 Bentley, four other vehicles, jewelry and monies held in several bank accounts.

U.S. Attorney Rod J. Rosenstein stated, "Richard Walters and Harriette Walters deposited fifteen District of Columbia government checks totaling almost \$5 million into a bank account in the name of his plumbing business over a period of six years. We will seek the forfeiture of all criminal proceeds and property purchased with stolen money because victims deserve restitution and criminals must not be permitted to profit from their crimes."

According to the plea agreement, Richard Walters is the brother of Harriette Walters, a former manager within the District of Columbia Office of Tax and Revenue. Richard Walters owned and operated a plumbing business called "Helmet's Plumbing." From March 2001 to May 2007, Richard Walters, and on occasion, Harriette Walters with Richard's knowledge, deposited 15 District of Columbia government checks totaling \$4,900,199 into a bank account Richard Walters maintained for his plumbing business. Richard Walters knew that the checks had been obtained by fraud as part of a scheme to embezzle funds from the District of Columbia government. The individual checks ranged in amounts from approximately \$95,148 to \$541,100.

On many occasions, Harriette directed Richard to take the checks to a bank and have Walter Jones, a bank manager, deposit them into the Helmet account. In addition, on several occasions, Richard Walters deposited a fraudulent District of Columbia government check and immediately thereafter directed Walter Jones to prepare cashier's checks to recipients of Richard's choosing.

From July 2001 to November 2007, Richard and Harriette Walters distributed funds from the Helmet account, including at least: 46 transactions directing \$1,059,307.50 to accounts controlled by Richard Walters; 14 transactions directing \$225,266.87 towards projects for a home that Richard Walters was building in the U.S. Virgin Islands; 11 transactions directing \$461,000 to Harriette Walters; \$47,149 to the Washington Wizards to purchase season tickets; \$40,000 to Neiman Marcus; and \$18,100 to Saks Fifth Avenue for purchases. Richard Walters also purchased a 2005 Bentley automobile with proceeds of the fraud.

Harriette M. Walters, age 52, of Washington, D.C., pleaded guilty in the U.S. District Court for the District of Columbia on September 16, 2008 and faces a maximum sentence of 20 years in prison for wire fraud and money laundering conspiracy; 10 years for District of Columbia tax evasion; five years for federal tax evasion; and an order to pay restitution in the amount of \$48,115,419.09. U.S. District Judge for the District of Columbia Emmet G. Sullivan has scheduled sentencing for Harriette Walters on March 25, 2009 at 11:00 a.m. Alethia O. Grooms, age 52, of Clinton, Maryland and Samuel Earl Pope, age 61, of Washington, D.C. also pleaded guilty to their participation in the scheme, and are scheduled to be sentenced on February 24 and 26, 2009, respectively.

Patricia A. Steven, age 73, of Harwood, Maryland; Robert Steven, age 55, of Edgewater, Maryland; Connie Alexander, age 52, of Bowie, Maryland; Richard Walters, age 49, of Bowie, Maryland; Walter Jones, age 33, of Essex, Maryland; Marilyn Yoon, age 40, of Derwood, Maryland; and Ricardo R. Walters, age 33, of Ft. Washington, Maryland, have pleaded guilty in U.S. District Court for the District of Maryland to their participation in the scheme. Patricia Steven, Robert Steven, Richard Walters and Alexander each face a maximum sentence of 10 years in prison for receipt of stolen property and 20 years in prison for conspiracy to commit money laundering at their sentencing scheduled by U.S. District Judge for the District of Maryland Alexander Williams, Jr. on December 8 at 10:00 a.m., December 8 at 1:15 p.m., November 4, 2008, and February 12, 2009, respectively. Walter Jones faces a maximum sentence of 20 years in prison and a fine of \$500,000 or twice the value of the transactions involved, whichever is greater, for conspiracy to commit money laundering at his sentencing on a date which is not yet scheduled. Marilyn Yoon faces a maximum sentence of 10 years in prison and a \$250,000 fine for possession of property obtained by fraud at her sentencing on December 4, 2008.

United States Attorneys Rod J. Rosenstein and Jeffrey A. Taylor thanked the Federal Bureau of Investigation; the Internal Revenue Service - Criminal Investigation; the Inspector General's Office for the District of Columbia; the District of Columbia Office of Tax and Revenue, Criminal Investigation Division; the Treasury Inspector General for Tax Administration; and the District of Columbia Office of the Chief Financial Officer, Office of

Integrity and Oversight for their investigative work. Mr. Rosenstein commended Assistant United States Attorneys Jonathan Su and Deborah Johnston from the District of Maryland and Assistant United States Attorneys Timothy Lynch and David Johnson from the District of Columbia, who are prosecuting the case.